



## City of Seattle

City Purchasing and Contracting Services Division

### **SUBCONTRACTORS AND SUPPLIERS** **KNOW YOUR LIEN RIGHTS**

The City of Seattle awards various construction projects to Prime (General) Contractors. Most Generals hire subcontractors to help perform the work. Anyone who provides labor, supplies or equipment towards the project has the right to file a claim against the General Contractor who owes you money.

If you have delays or problems getting payment from the Prime, Washington law gives you certain rights and protections. However, you must take certain steps to preserve your rights.

If you haven't already, this may be a good time to consult with an attorney.

#### **What are the Payment Guarantees available for me?**

There are two payment guarantees that a General Contractor has for most public projects. A subcontractor can stake a payment claim against either one or both.

- ***The General Contractors Payment Bond:*** State law ([RCW 39.08](#)) requires a General Contractor to obtain a payment and performance bond for most public construction projects. State law ([RCW 39.08.080](#)) also provides a subcontractor the right to file a lien against that bond for unpaid material and labor.
- ***The General Contractor's Retainage:*** Washington law requires public agencies to withhold up to 5% of every contract payment. The money is set aside as protection, to cover any subcontractor claims and other payment obligations such as taxes. At the end of the project, the City returns the retainage money to the General Contractor, unless a claim is filed.

#### **Who Can File?**

You must be registered with Labor and Industries ([RCW 18.27](#)) in order to make a claim. If you supplied materials to the project, make sure that you have provided your [10 day notice under RCW 39.08.065](#) and the [60 day notice under RCW 60.28.015](#).

#### **How to File?**

Again, there are two claims that a subcontractor can file: you can file against the payment/performance bond and/or the retainage bond. They can be done at the same time, and you can file against one or both. The format you use for the notice is the same for both. Washington law provides a sample ([RCW 39.08.030](#)).

File your claim. You may wish to send it via U.S. certified mail in order to have proof that it was actually delivered. In both cases, you should send notice to the City of Seattle, Department of Finance and Administrative Services, City Purchasing and Contracting Services,.

By Courier: 700 – Fifth Ave, Suite 4112, Seattle WA 98104

By US Postal Service: PO Box 94687, Seattle WA 98124

By E-Mail: [Edith.Umagat@seattle.gov](mailto:Edith.Umagat@seattle.gov) and [Mark.Wheeler@seattle.gov](mailto:Mark.Wheeler@seattle.gov)

Filing deadlines are important.

- A retainage lien claim must be made within forty-five (45) days from completion of the project.
- A bond claim must be made within thirty (30) days from the completion of the project



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The completion of the project is an official date established by the City. To learn of the completion date, call or email Judy Keefe (206-684-8032) at [Judy.Keefe@seattle.gov](mailto:Judy.Keefe@seattle.gov) or Mark Wheeler (206-684-4525) at [Mark.Wheeler@seattle.gov](mailto:Mark.Wheeler@seattle.gov).

### **What happens within the City?**

Once the City receives notice of a claim or lien it is filed with the project payments file. All claims will be collected and reviewed at project close out and considered under the retainage release process.

### **Next steps:**

Filing with the City is only one of many steps and requirements for your claim process. There are other deadlines that are critical in protecting your lien rights.

**We recommend you consult with an attorney regarding the next steps that need to be taken in order to protect your claims/liens and recover any monies owed to you.**

For additional information, you may call  
Mark Wheeler, PCSD Contract Compliance Manager, at 206-684-4525.  
*This is not intended to substitute for legal advice from your own attorney.*